



**Director of
Central
Intelligence**

Top Secret

25X1

25X1

National Intelligence Daily (Cable)

11 September 1982

DOE review completed.

State Dept. review completed

Top Secret

25X1

CPAS NIDC 82-213C

11 September 1982

Copy **402**

Page Denied

25X1

Top Secret



Contents

OPEC: *Current Account Deficit* 1 25X1

USSR-Poland: *Impact of Recent Demonstrations* 2



PLO-Italy: *Visit by Arafat* 3

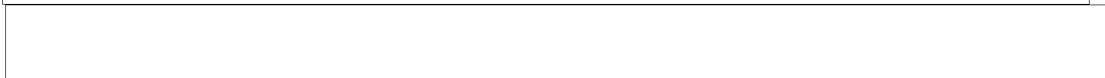
Colombia: *Drug Smuggling* 4

Taiwan-US: *Nuclear Agreement* 4

25X1



25X6

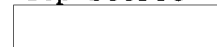


25X1

25X1



Top Secret



25X1

Top Secret

25X1

OPEC: Current Account Deficit

Member countries of OPEC will accumulate a combined current account deficit of at least \$17 billion in 1982 and possibly as much as \$31 billion in 1983. []

25X1

Comment: The deficit this year could be larger than \$17 billion if the expected economic recovery in the industrialized countries in the fourth quarter fails to materialize. The shortfall this year contrasts markedly with surpluses of \$105 billion and \$50 billion in 1980 and 1981 respectively. Only five OPEC countries have prospects for earning a surplus in 1982--Saudi Arabia, Kuwait, Qatar, the UAE, and possibly Iran. []

25X1

The deterioration of OPEC finances is already slowing the growth of imports from the West by member countries. It has also forced the richer Persian Gulf states to consider cutting back their bilateral aid, including assistance to antileftist insurgent groups, to pro-Western African states, and to other moderate countries. It has not, however, meant a reduction in aid to important Arab states or a shortage of loanable funds in international capital markets to meet the needs of developing countries. []

25X1

A decline in oil prices is possible in 1983 if the Iran-Iraq war ends and the two countries try to regain their prewar export levels. An all-out effort by Mexico and other financially-strapped oil producers to increase exports would add further supplies to a glutted market. []

25X1

Since there probably will be little growth in oil demand between now and the end of 1983, the price of oil could drop. Saudi Arabia, Kuwait, and other affluent oil producers might not be willing to cut production enough to balance the market. []

25X1

Top Secret

25X1

25X1

Top Secret

25X1

USSR-POLAND: Impact of Recent Demonstrations

//The Soviets are pleased that no greater disruption occurred last week, but they appear to have gained a more sober appreciation that solving Poland's problems will be a long and difficult process.//

25X1

//Subsequent Soviet comment, however, has acknowledged that "counterrevolution" in Poland has "by no means exhausted its potential."

25X1

25X1

Comment: While the Soviets probably are disturbed that the martial law regime has not been able entirely to prevent active expressions of opposition, there is no indication this has affected their general satisfaction with Premier Jaruzelski's performance. The Soviets almost certainly want him to tighten security even further, to be tougher in dealing with the Church, and to proceed slowly in rebuilding trade unions.

25X1

Soviet media took note of the participation of young people in the clashes last week and have said Moscow regards the solution of the youth problem as an important task of a revitalized party. Soviet officials may make these points explicitly to Foreign Minister Olszowski when he visits Moscow early next week.

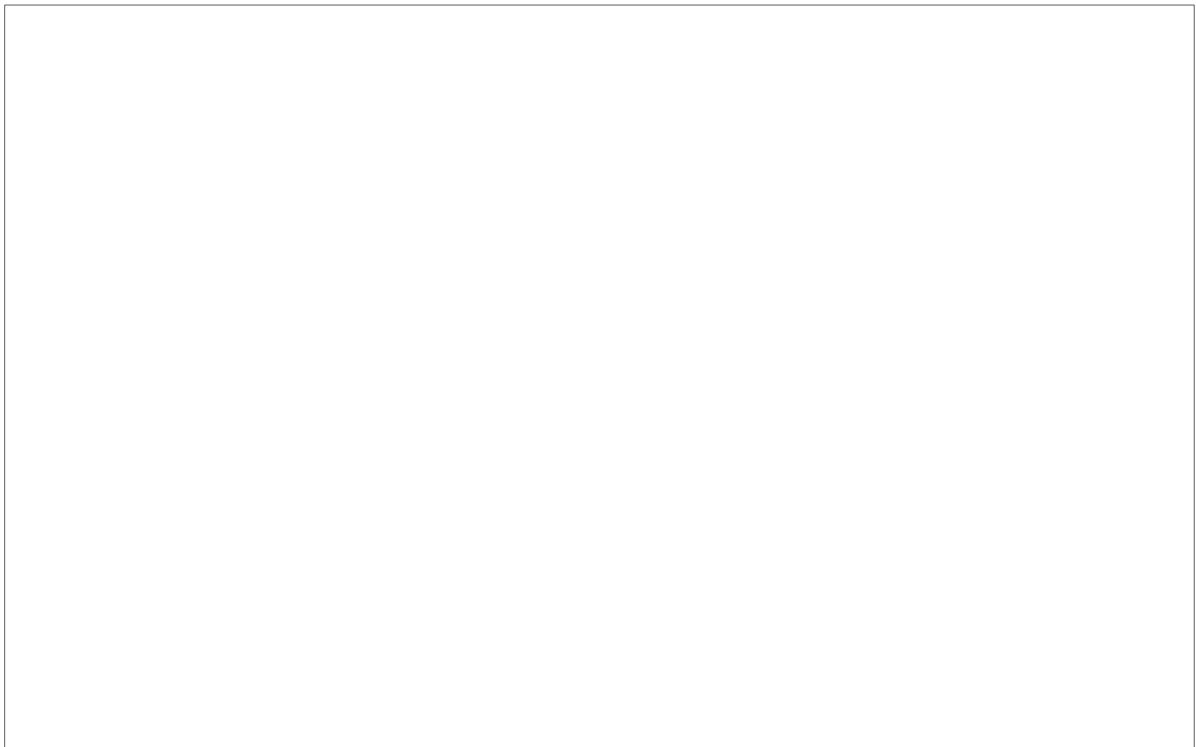
25X1

Top Secret

25X1

Top Secret
[REDACTED]

25X1



PLO-ITALY: Visit by Arafat

PLO chief Arafat will arrive in Italy on Wednesday to attend a meeting of the Interparliamentary Union, according to the PLO representative in Rome. The representative said that Arafat expects to meet with the Pope during his visit. Moreover, President Pertini told journalists on Thursday that he would receive Arafat if he attended the conference. Although there is speculation that the President will make a speech to the meeting that will come close to asserting Italian recognition of the PLO, Prime Minister Spadolini has reiterated that Italy's policy toward the PLO must be coordinated with its EC partners. [REDACTED]

25X1

Comment: The timing and manner of Arafat's possible meetings with Pertini and the Pope are uncertain. Although Spadolini and some other Italian Government officials would like to play down Arafat's visit, Pertini was outraged by Israel's bombardment of West Beirut. Even if the President refers to PLO recognition in his speech, actual recognition would almost certainly be preceded by extensive discussion in parliament. [REDACTED]

Top Secret
[REDACTED]

25X1

Top Secret

25X1

25X1

COLOMBIA: Drug Smuggling

Colombian shipments account for about 75 percent of the 10,000 to 15,000 tons of marijuana consumed annually in the US. Most of the marijuana is smuggled by small coastal freighters or fishing boats that carry 20 to 25 tons, but shipments as large as 100 tons have been observed. Smaller vessels, usually manned by US citizens, unload the contraband in international waters and smuggle it to secluded coastal sites in the southeast US.

25X1

TAIWAN-US: Nuclear Agreement

//Taipei has told US officials it is willing to sign an agreement on nuclear cooperation that would substantially reduce some of its opportunities for producing a nuclear weapon but would not end Taipei's demands that the US relax restrictions on other activities that could give Taiwan a nuclear capability. The agreement--initialed in June--requires Taiwan to modify its research reactor to reduce its plutonium production by two-thirds and turn over to the US Taiwan's stockpile of several hundred spent fuel rods containing plutonium.//

25X1

Comment: //The agreement to yield on the reactor conversion issue, after five years of opposition, almost certainly is dictated by desire to avoid US sanctions on Taiwan's nuclear research program. The leadership will now try to secure US permission to begin reprocessing fuel for Taiwan's civilian reactors. The government believes that reprocessing is essential to reducing its reliance on the US and achieving a more dependable civilian nuclear program.//

25X1

Top Secret

25X1

Page Denied

Next 5 Page(s) In Document Denied

Top Secret

Top Secret